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TRADE AND DEVELOPMENT BOARD
Commission on Enterprise, Business Facilitation and Development
Expert Meeting on Human Resources Development and Training in Trade-Supporting Services: Key to growth with special potential for LDCs
Geneva, 2-4 October 2000
Item 2 of the provisional agenda

PROVISIONAL AGENDA AND ANNOTATIONS

I. Provisional agenda

1. Election of officers

2. Adoption of the agenda and organization of work

3. Human resources development and training in trade-supporting services: key to growth with special potential for LDCs

4. Adoption of the outcome of the Meeting

GE.00-51837

II. Annotations to the Provisional Agenda

Item 1 Election of officers

1. The Meeting should elect a Chairperson and a Vice-Chairperson-cum-Rapporteur.

Item 2 Adoption of the agenda and organization of work

2. The provisional agenda for the Expert Meeting is reproduced in section I above. A provisional schedule of the three-day meeting is attached to the present document. These have been drawn up with due regard to the mandate for the Meeting.

3. The UNCTAD Plan of Action (TD/386) was adopted at the tenth session of UNCTAD, held in Bangkok from 12 to 19 February 2000. Paragraph 159 of the Plan of Action says, *inter alia*, that "UNCTAD should play a role in providing information to enterprises and Governments regarding: (a) the linkages between human resource development (HRD) activities, particularly training, and the performance of enterprises; (b) long-term planning for HRD activities, coordination of training activities and collaboration or development of partnerships between enterprises; (c) formulation of HRD policies and strategies to be followed by developing countries". Further, paragraphs 162 and 163 of the Plan of Action, state respectively that "it is the responsibility of all divisions of the UNCTAD secretariat to ascertain that UNCTAD's activities take the needs of LDCs into account", and that "UNCTAD is called upon to prepare an integrated programme of action for technical assistance for LDCs".

4. In this context, the executive session of the Trade and Development Board decided on 12 May 2000 to convene an Expert Meeting, from 2 to 4 October 2000, on "Human resources development and training in trade-supporting services: key to growth with special potential for LDCs".

Item 3 Human resources development and training in trade-supporting services: key to growth with special potential for LDCs

(a) *HRD for growth*

5. Human resources development (HRD) has grown up empirically and is viewed and interpreted in various ways. A background document has been issued (TD/B/COM.3/EM.10/2) which participants should have read before the Meeting. Some issues will be highlighted at the start of the meeting and definitions and interpretations clarified.

6. The potential of HRD as a generator of trade, and thereby economic growth, is not fully appreciated, and discussions under this item should take stock of successful experience with HRD in the trade sector, and particularly for services to trade.

(b) *Making a success of HRD*

7. HRD must be applied within and as part of local society. It must be adapted to local conditions, and while it may be intended to change them it will also be constrained by the surrounding conditions. Discussions under this item should review the steps by which HRD brings benefits, the impediments that may exist locally and ways in which they can be overcome.

(c) *HRD in trade-supporting services*

8. The role of trade-supporting services has attained greater importance due to global trends of recent years. In some sub-sectors and countries there is already a structured approach to HRD. Discussions under this item should review and draw conclusions from current experience.

(d) *Training at the heart of development*

9. Training is at the heart of effective HRD. Discussion on this item should focus on successful experience with training, especially institution building to provide local training effectively through sharing of efforts, experience and progress among countries, and on new technology to enhance and widen the application of training. Special attention should be given to ways in which training can be extended and enhanced for LDCs, possibly by networking and the use of distance learning techniques, and ways in which the United Nations Organization can support efforts for the improvement of trade through training.

(e) *Focus on HRD for LDCs*

10. The Meeting will have reviewed the necessary environment for effective HRD and ways in which training can serve this environment as a motor for developing trade, and in particular for LDCs. Discussions under this item should reach conclusions on policy considerations and actions to be taken by countries to provide a healthy environment for HRD, and in particular in partnership with both public and private sector, among countries and with the United Nations, with a special view to measures that will benefit and enhance training programmes for LDCs.

Item 4 Adoption of the outcome of the meeting

11. The Meeting is expected to adopt recommendations that will be assessed by member States before being submitted to the Commission on Enterprise, Business Facilitation and Development in January 2001. The final report will be compiled under the authority of the Chairperson after the conclusion of the Meeting.

Documentation

TD/B/COM.3/EM.10/2	Human resources development and training in trade-supporting services. A background paper.

Provisional schedule of the Meeting

Day 1 (2 October 2000)

0900	Open for registration
1000-1300	Election of officers, adoption of the agenda and organization of work HRD for growth
1500-1800	Making a success of HRD

Day 2 (3 October 2000)

1000-1300	HRD in trade-supporting services
1500-1800	Training at the heart of development

Day 3 (4 October 2000)

1000-1300	Focus on HRD for LDCs
1500-1800	Adoption of the outcome of the Meeting

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TRADE AND DEVELOPMENT BOARD
Commission on Enterprise, Business Facilitation and Development
Expert Meeting on Human Resources Development and Training in Trade-Supporting Services: Key to growth with special potential for LDCs
Geneva, 13-15 December 2000
Item 2 of the provisional agenda

PROVISIONAL AGENDA AND ANNOTATIONS

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2. Adoption of the agenda and organization of work

3. Human resources development and training in trade-supporting services: key to growth with special potential for LDCs

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GE. *0000531214*

ENG

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11. The Meeting is expected to adopt recommendations that will be assessed by member States before being submitted to the Commission on Enterprise, Business Facilitation and Development in January 2001. The final report will be compiled under the authority of the Chairperson after the conclusion of the Meeting.

Documentation

TD/B/COM.3/EM.10/2 Human resources development and training in trade-supporting services. Issues paper.

Provisional schedule of the Meeting

Day 1 (13 December 2000)

0830	Open for registration
1000-1300	Election of officers, adoption of the agenda and organization of work HRD for growth
1500-1800	Making a success of HRD

Day 2 (14 December 2000)

1000-1300	HRD in trade-supporting services Training at the heart of development – successful experience
1500-1800	Training at the heart of development – new technology in action

Day 3 (15 December 2000)

1000-1300	Measures to best serve LDCs
1500-1800	Adoption of the outcome of the Meeting

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TRADE AND DEVELOPMENT BOARD
COMMISSION ON ENTERPRISE, BUSINESS FACILITATION AND DEVELOPMENT
Expert Meeting On Human Resources Development and Training in Trade-Supporting Services: Key to Growth with Special Potential for LDCs
Geneva, 13 - 15 December 2000
Item 3 of the provisional agenda

HUMAN RESOURCES DEVELOPMENT AND TRAINING IN TRADE-SUPPORTING SERVICES: KEY GROWTH WITH SPECIAL POTENTIAL FOR LDCS

Issues note
Prepared by the UNCTAD secretariat

GE. *0000052999*
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A. Preface

Paragraph 159 of the Bangkok Plan of Action (TD/386) says that "UNCTAD should play a role in providing information to enterprises and Governments regarding: (a) the linkages between human resource development (HRD) activities, particularly training, and the performance of enterprises; (b) long-term planning for HRD activities, coordination of training activities and collaboration or development of partnerships between enterprises; (c) formulation of HRD policies and strategies to be followed by developing countries". In line with this mandate, the Trade and Development Board agreed that there should be an Expert Meeting on Human Resources Development and Training in Trade-Supporting Services: Key to growth with special potential for LDCs. The Meeting will provide an opportunity for an exchange of information and experience between experts on HRD and its role in enhancing trade-supporting services in developing countries and countries with economies in transition, and to generate proposals for application within countries, especially LDCs. The objective of this issues note is to identify key issues that the Expert Meeting should address in its deliberations.

1. Introduction

1. Individual human performance is of crucial and growing importance for development. This is true in any context, but notably with regard to trade-supporting services, since the ability of traders to enter new markets and to satisfy them depends on these services, and in particular on the competence and efficiency of the individuals who provide them. Good performance can be encouraged through sound policy and practice directed both towards each individual and towards creating an appropriate business and learning culture in society. This is the role of human resource development (HRD), which has until recently been a neglected field in many communities.

2. HRD has gained growing relevance for business because of:

- The changing balance between physical resources and intangibles in the production process;
- Increasingly rapid change in markets that requires constant updating of knowledge and skills, as well as changing attitudes;
- Growing polyvalence of staff in more efficient organizations;
- Globalization, whose opportunities can be grasped only through special competence and innovation.

In parallel, information and communications technology has opened up new and growing opportunities for learning, particularly for many communities that previously had difficulty in accessing information and relevant training.

3. Substantial or even dramatic improvements in business, and particularly in trade, are made possible by effective training within the framework of a sustained HRD policy – for which concerted action is needed. With the growing knowledge intensity of production and business transactions, continuous learning through training by formal institutions as well as at the enterprise level has become a critical factor for competitiveness. Unfortunately, the opportunities offered by effective training throughout the production and trading systems and the importance of a coherent HRD policy have not been fully seized in most countries or communities, or by many enterprises. The objective of this issues note is to draw attention to key issues and to stress that initiatives must be taken at a local level, as well as through cooperative action within the international community that can furnish opportunities for all. Particular experience developed by UNCTAD for training through inter-country networking has special relevance to strategies for international action.

2. Making HRD a tool for development

4. The latter part of the twentieth century saw massive improvements in productivity, due above all to improved use of materials. This had the strongest impact on development in those countries that controlled materials and production. In latter years, the contribution of people as individuals has begun to emerge as the key factor for improvement, and in future the world must look at people as its source of growth and broader prosperity. This heralds real change, as not only will the efficiency of established businesses continue to increase, but the rate at which new types of business are generated will grow. There is no limit to growth when carefully cultivated ingenuity leads to new business and when growing competence, together with technological progress, enables business to develop competitively. However, human resources cannot be expected to adapt at random: to build competence and liberate ingenuity through HRD will be the key to future development, and benefits are available to all countries ready to develop their human potential, irrespective of historical strengths or traditional barriers.

5. Officials and managers already subscribe widely to the importance of human resources and the need to develop skills, knowledge and attitudes throughout the community, but this is rarely supported by appropriate commitment and practical action. Many enterprises, communities and countries have been unable to create the conditions necessary for successful HRD. This already holds back growth, but in a future more competitive world it may restrain the capacity of countries even to maintain existing trading positions. It is important to explore why evident awareness is not accompanied by corresponding action, and to identify policy measures that will bring widespread support for HRD, meaningful action and lasting results.

6. The object must be to generate a more dynamic society in which initiatives will be taken, reliable services provided, and efficiency increased both at the individual level and

among communities. The relevance of this to better market positioning is evident, and the necessity in relation to a rapidly changing world is intuitively obvious, but the most significant target is to generate new business opportunities – which will be a key element of development. While this is true across the entire business community, it is especially relevant in relation to trade-supporting services, which can enable existing producers to serve new markets and attract completely new processing industries by establishing efficient trading links.

7. The impediment often relates to lack of policy objectives, or understanding of them or commitment to them. There is, therefore, a crucial need for measures that will change both practice and policy before the widely sought results can be achieved. Many of the measures that may be taken imply a change of procedures or approach that need not lead to financial cost. The financial costs associated with HRD are generally modest compared with those of infrastructure development. However, introducing new measures will require prioritizing and concrete efforts on the part of both policy makers and operators. It is evident that the key to overcoming the barriers to HRD lies in appropriate policies, determination and commitment.

8. One last fundamental consideration is that HRD must ensure not just that personnel acquire greater competence, but that they can use this competence. The environment in which people operate will need to change, not only before new competence can be used effectively but often before competence requirements are defined. Such change will be required at all levels, from the immediate operating environment to national structures. This is not easy and will require special policy attention; in particular, institutional and hierarchical relationships may need to change, and this can cause wide resistance. It should be stressed that economic and social development requires an adequate balance of competence and opportunity. Competence signifies personnel with appropriate knowledge, skills and attitudes cultivated through HRD techniques backed by policy. Opportunity is external to the personnel and requires that institutional arrangements be put in question and revised accordingly. Ways to bring about institutional changes are as much a part of HRD as any other measure to be recommended.

9. HRD is about enabling personnel to contribute fully to outputs and growth. An important tool of HRD is training; it is an essential complement to change and acquires greater significance as the rate of change in business and in its context increases. Training is rendered more effective through current developments in information and communications technology. New tools, especially for structured individual learning, or distance learning, offer exciting new opportunities that will enhance the effects of HRD policies everywhere, and notably offer advanced opportunities to communities that have previously had only difficult access to the most effective training.

3. The need for HRD in trade-supporting services

10. Transport is a key trade-supporting service. In UNCTAD its importance for developing countries was recognized from the earliest days, when a programme of work on maritime transport was established as a core theme in 1966. The availability of transport links, as well as their cost, were vital influences on the ability of developing countries to trade and to pursue development. At that time, the traditional maritime sector began to change rapidly, while many developing countries lacked the necessary experience to handle their traffic efficiently, to develop trading opportunities to the maximum, and to adapt promptly to changing conditions. These characteristics were to become even more important as globalization became a feature of trading patterns.

11. Diversification and growth of foreign trade of developing countries called for change in both policy and practice with regard to maritime transport. Policy considerations were the starting point within UNCTAD, but it was quickly recognized that this should be accompanied by technical cooperation activities, and that these should include training. Thus the UNCTAD secretariat has been organizing training in the field of maritime transport for some 30 years. Early training was directed at senior decision makers – officials and managers – and feedback showed the training fulfilled a real need and gave great satisfaction. But, as a result of continued feedback, attention from the late 1970s turned increasingly to the training needs of operational and more junior personnel. Several strategies have been followed, including the delivery of training courses by UNCTAD staff and consultants, the central preparation and distribution of training materials, and the strengthening of local training institutes to provide locally directed training to high standards. Networking among such institutes has proved particularly useful

12. These strategies were not simple alternatives, but a natural extension from one successful application to another – an evolution that now continues through greater use of distance learning techniques and will continue further as the need for permanent learning becomes widely accepted. So there is a wealth of experience in this field, and it is being used in relation to other trade-supporting services, as well as providing a basis for UNCTAD's wider capacity-building activities[1]. However, it is not sufficient to provide exhaustive results unless accompanied by thorough HRD policies.

13. The secretariat makes regular visits to developing countries and countries in transition where technical cooperation has involved learning or training activities. Across all activities, whether or not they have received international support, two clear observations can be made:

- Even where training is technically good and related to priority issues for the communities concerned, it often fails to show the results that are expected. However, expectations are rarely expressed formally, and the failure is not recognized formally;

[1] Many UNCTAD programmes today have training components. Capacity building is identified specifically in paragraph 166 of the Bangkok Action Plan, and UNCTAD has appointed a focal point to coordinate action.

- The fact that results are not achieved lowers commitment to further training, whereas the fact that this failure was not formally recognized prevents remedial action being taken. A vicious circle is at work.

Problems can be identified in a variety of fields. Most of them are foreseeable and readily explained; they are applicable to all trade-supporting services and to the majority of countries but above all to developing countries and countries with economies in transition. This includes the LDCs, which have the most to expect from their resolution. But the problems are inherently difficult to resolve and their solution lies eventually in policy change at local and national levels.

14. Trade-supporting services have a critical influence on the volume and profitability of trade. Yet their contribution is highly dependent on knowledge, skills and attitudes that must be adapted constantly, so training and HRD are particularly crucial. Effective training services will ensure that training needs are identified and learning opportunities are offered. It is HRD policy that will provide the environment in which training services are available and, more important, can operate effectively to produce results.

4. Feasible policy change

15. Policy is discussed here at three levels: enterprise, local community and country.

16. It is the enterprises within which people are employed that have greatest scope to apply the elements of HRD. The enterprise is a key production unit and instrument of development, and is thus in a position also to feel the benefits. It has, therefore, both the means and some motivation to apply HRD measures, for which it should have its own policy. But it can be encouraged to go further by government policies for HRD, as well as by government policies to enhance productivity and good management. Factors that an enterprise can influence by its own policy include:

- Recruiting on merit;
- Offering career development;
- Anticipating change and supporting training for change;
- Encouraging and rewarding initiative;
- Motivating performance.

All are within the control of management but they may be encouraged by national policy.

17. Experts may wish to give particular attention to questions of what an enterprise can do to:

- Involve all levels of management in HRD;
- Focus on medium-term and community-wide returns;
- Retain staff of increased competence;
- Enable staff to use increased competence to the full;
- Share policies with their national, localised or professional communities.

18. An underestimated focus for action is localized (city or region) or professional communities. Trade-supporting services are interrelated since (1) each transaction may depend on several service providers and (2) they should all benefit as trade expands. Real growth depends on communities offering a coordinated efficient service, so it is advantageous that key communities identify themselves and share a common policy and take common action. Many of the personnel characteristics, skills and knowledge are common, and to some extent may be exchanged, so there is a common pool of human resources. Above all, service providers should be working together to offer a complete service for national and potential foreign clients. In these respects they will benefit from a common HRD policy, which may include:

- Educational standards;
- Forecasting and promoting change and related personnel requirements;
- Policies for training and encouraging training service providers;
- Support in implementing change;
- Career development and staff exchanges;
- Institutional simplification in relation to central government.

19. A particular community focus is the port community, facilitating maritime connections with overseas markets and suppliers and with potential to attract new business from foreign clients in the context of globalization. However, such a community may not have legal means to impose policy and may be obliged to promote a voluntary code that serves the interests of all.

19. Experts may wish to give particular attention to questions such as what can be done to create localized or professional communities with a focus on HRD in the field of trade-supporting services, and what each community can do to:

- Promote and obtain commitment to HRD;
- Share costs of significant joint action;
- Engage the Government to improve the environment for HRD.

20. The state naturally has a role in policy-making. It is well placed to:

- Foster education and establish practices for recruitment or dismissal, or salary levels, even though these may have only indirect effects on performance.

It can have a more direct influence on performance through:

- Measures such as tax incentives or target requirements to encourage or enforce training.

Further, it can encourage performance improvement through HRD through:

- Policies for institutional development at enterprise and local community levels;
- Promotion of HRD by measures such as the creation of councils or awards that keep related issues in focus.

21. Experts may wish to give particular attention to questions such as what countries can do, with respect to trade-supporting services, to:

- Promote a favourable environment for HRD;
- Engage local and professional communities in action for HRD;

- Identify and build on successful experience with HRD, inside and outside the sector and in other countries;
- Ensure a long-term commitment to HRD.

22. A first step is for all countries and communities to increase awareness of the importance of HRD and its potential to revolutionize development. A second is to establish mechanisms to initiate and monitor policy measures. A third is to promote learning, including engagement in international training efforts that are or may be initiated through UNCTAD and other international organizations – particularly those that foster capacity development and build on regional cooperation and those that use modern information and communications technology for training. These are all issues to which the Expert Meeting may wish to give attention.

5. Least developed countries

23. There can be no doubt that HRD in trade-supporting services has great potential for expanding trade in all countries, and especially in countries with the following characteristics: those with inherent advantages for attracting transit goods for processing, such as countries near major shipping routes, and having an able, low-cost work force; and those that currently experience low trade volumes and suffer from barriers or high transit costs in linking with foreign markets. Most LDCs fall into the second category, and above all the many landlocked countries among them. The possibility for newly empowered personnel in these countries to create new trading opportunities and to cut the costs of existing trading needs full recognition.

24. Infrastructure and physical resources have always played a dominant part in growth. Future perspectives are that the competence of local personnel will be the dominant influence on new and established business. Future prospects depend, therefore, on the ability to identify and develop the specific potential of any country and generate the appropriate skills to induce growth in areas of comparative advantage.

25. But in addition, there are many opportunities for HRD to be developed through networking and the use of technology in learning. There is a proven ability for training to be enhanced and expanded by sharing of efforts, resources and products, and the sharing is greatly enhanced by new information and communications technology. Networking is to the benefit of all concerned, so countries at all levels of development have reason to become involved, but LDCs can expect to gain more than other network members by drawing on the full breadth of experience and progress of larger and more advanced countries, with no immediate obligation to contribute in return. Such contribution as they can make to networks – and it should be as large as possible – may be of most help to other LDC members, and by reciprocation will benefit them all as the special conditions pertaining to LDCs are dealt with to the maximum.

26. The Expert Meeting may wish to give particular attention to questions such as what can be done within LDCs to overcome constraints affecting the development of HRD necessary for trade-supporting services.

6. Conclusions

27. While HRD is critical for development, the factors that will enable it to function well are not clearly understood, nor is how to put them into practice. The Expert Meeting should enable current problems to be enumerated and solutions explored, so that suitable policy measures can be recommended or further studies proposed.

28. Systematic training is a vital instrument to ensure that proper policies are accompanied by performance improvement. The many training tools that already exist, particularly distance learning through information and communications technology and networking of suitably qualified local institutions, have a key role in ensuring that policies are matched by action.

29. Experts may wish, in conclusion, to:

- Reaffirm the enormous potential of HRD for development so that appropriate action will be given priority attention by Governments, communities and enterprises;
- Identify best practice in HRD policy and practice;
- Identify the factors that contribute to effective HRD and which must be addressed to maximize development potential through dynamic and effective trade-supporting services;
- Suggest actions that are particularly important and relevant to HRD for trade-supporting services;
- Recommend strategies in the field of training with proven potential to help HRD in trade-supporting services;
- Identify policies and measures that are most relevant to LDCs;
- Propose an action plan action that will guide UNCTAD, countries, communities, enterprises and a range of potential partners in promoting policy and practical measures for HRD with particular regard to trade-supporting services.

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Fifth session
Geneva, 22 - 26 January 2001

REPORT OF THE EXPERT MEETING ON HUMAN RESOURCES DEVELOPMENT AND TRAINING IN TRADE-SUPPORTING SERVICES: KEY TO GROWTH WITH SPECIAL POTENTIAL FOR LDCs

Held at the Palais des Nations, Geneva,
from 13 to 15 December 2000

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GE. *0000053508* LS

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I. OUTCOME OF THE EXPERT MEETING

1. The experts consider that human resources development (HRD) in trade-supporting services has an enormous potential for sustainable development, and that appropriate action should be given priority attention by Governments, communities and enterprises.

2. While HRD and training for trade-supporting services are essential for all developing countries, LDCs may derive comparatively greater benefit from related action and in particular from cooperative action among themselves and with other countries.

3. Having examined the status of trade-supporting services in developing countries and the scope for improvement through HRD, the experts considered strategies and reached conclusions about action to be recommended.

4. To achieve and support the application of effective policies, action needs to be taken within countries and by international agencies. The proposals set out below, which relate specifically to trade-supporting services, will facilitate and significantly enhance those services' contribution to growth through the generation of trade, with positive effects on quality of life and poverty alleviation. Above all, countries should have a strong policy for HRD with respect to trade-supporting services and should apply it faithfully; this should be pursued so as to remain sustainable regardless of external assistance which may be provided beneficially from time to time. The role of the international agencies should be to persuade and to facilitate fulfilment of this goal.

5. Proposals for action within countries include the following:

(a) Governments should adopt a policy framework for HRD, which should be developed jointly by government and the private sector. The framework should include the concept of national councils for HRD in trade-supporting services, which would be public/private partnerships. Business-sector organizations, which may be interested in providing a nodal agency as a focus for action, should apply policies within the framework;

(b) To encourage the application and adoption of policy action, awareness raising needs to start promptly; this may be initiated by local institutes for management or public administrations, but should be supported by programmes undertaken by international bodies;

(c) The effective application of HRD will be greatly enhanced by the existence, at local or regional level, of high-quality HRD institutions for trade-related services, covering training, advisory, analytical and research functions. These should be developed from or within existing institutions; government, business-sector and international/regional institutions should all collaborate in setting them up;

(d) Regional and international cooperation is essential for expanding and improving HRD and for keeping practices up-to-date, especially in LDCs. Such cooperation, by communities, institutes and businesses, needs to be encouraged by government policies; it may be reinforced through networking programmes of UN agencies. Further, the business sector should investigate professional contacts that may be a source of cooperation in HRD;

(e) Training is only one component of HRD; training services should be developed by countries bearing in mind the need for regulatory and institutional change to make training and HRD effective;

(f) Bearing in mind the need to give HRD in trade-supporting services highest priority, there is need to develop common standards and procedures in the conduct of the professional duties concerned, so public/private sectors must take initiatives towards the creation of national standards, with simplification and consolidation of procedures, to promote professionalism and facilitate coherent HRD;

(g) The private sector must recognize the need to use advocacy and lobbying so as to gain highest priority for HRD in trade-related services;

(h) Businesses need policies reached by mutual agreement that recognize the performance achievements that can be reached by personal competence, the definition of qualifications, the measurement of performance and the constraints imposed through HRD to achieve higher standards.Government, the business community and individual businesses should cooperate in their respective ways so that policies use the role of the private sector as a motor in implementing HRD policies and measures.In particular, businesses should:

(i) Define a vision statement based on self confidence and commitment to use internal resources rather than rely on external assistance and funding;

(ii) Use indicators to measure the impact of steps taken to improve HRD;

(iii) Ensure that line managers are intimately involved in the implementation of HRD policy, including identifying and applying career plans and motivational measures that are psychological and financial and involve peer comparison and promotion;

(iv) Notwithstanding the need for self-reliance, encourage external cooperation and assistance in plans made by the company, Government and private sector;

(v) Bear in mind that mobility of human resources, wherein people change company to gain experience, can be highly beneficial provided it happens within a career plan and is not assimilated with turnover of staff and its negative impact;

(i) The policy framework for HRD should help the private sector in consolidation of trade supporting services by encouraging the adoption of privatization or concession policies for transport infrastructures and providers, commercial viability studies, reduced bureaucracy, and stimulation of commercial strategies and marketing of services. In particular, the role of the private sector should be reinforced by measures that:

(i) Encourage and support the public business sector in efforts for adaptation to free market rules, thus promoting competition which motivates HRD;

(ii) Help the private sector to establish incentives for continuous training inside and outside the enterprise, including fellowships for acquiring and upgrading of skills in the framework of sound career plans;

(iii) Change attitudes so that training is seen as an investment instead of simply a cost with marginal benefit;

(iv) Support general efforts to retain qualified manpower;

(v) Establish mechanisms for exchange of expertise among LDCs.

6. Action by the international community is particularly important in relation to HRD for trade-supporting services. Several international agencies have an important role to play, and their efforts need to be coherent to encourage best use of resources. The involvement of UNCTAD has been emphasized in the Bangkok Plan of Action with its emphasis on capacity building, so it would be appropriate that UNCTAD, in cooperation with ITC, take initiatives to encourage international and regional agencies to work together on HRD to avoid duplication, to create synergies and to expand capacity.

7. Proposals for action by international agencies, and in particular UNCTAD, should include:

(a) Drafting a model policy framework for HRD that countries can adapt to local circumstances, and further assisting LDCs to develop an HRD framework that takes into account the market needs of the LDCs and their learning capacities, as well as the learning needs of individuals involved in trade-supporting services;

(b) Stressing the need for Governments to establish national councils for HRD in trade-supporting services, developing a structure for a national nodal agency, and assisting in development of strategic plans by analysing and incorporating the best practices at the global level;

(c) Organizing meetings, exchanges, and dissemination of effective practice in order to maintain the commitment of all stakeholders in the development of trade in LDCs, and supporting international exchanges between LDCs and developed and developing countries in order to improve international trade through sharing of experience among people engaged in trade-supporting services;

(d) Encouraging developing countries to set aside an adequate training budget, possibly linked to debt relief for LDCs with a view to ensuring money is used for training and supplementing this by seeking funds and assistance to improve management capacity and provide other training opportunities through assistance programmes designed and implemented in such a manner as to enable countries to be self-reliant in the shortest possible time;

(e) Encouraging developed countries to contribute, through partnerships and cooperation, to the enhancement of competence in developing countries, and advocating, in connection with the best endeavour clauses covering training in all the WTO agreement and with commitments made at other fora, that support for HRD should be rendered more specific and provided with a time frame;

(f) Reinforcing international programmes for training the trainers and helping to establish or reinforce regional-based training systems so as to enhance training opportunities and optimize use of resources;

(g) Exploring and making recommendations on the role of communities in trade-supporting services and the ways in which HRD can be enhanced by cooperation across communities;

(h) Facilitating statistical research in HRD in developing countries, and specifically for LDCs, including research on issues such as education of women and children;

(i) Recommending steps and policies for Governments to encourage competition among LDC public organizations, with consequent effects on motivation for HRD and benefits to be derived, including for trade-supporting services.

II. CHAIRPERSON'S SUMMARY

8. Discussion in informal sessions covered five different themes, for each of which there were a number of presentations followed by discussion and the identification of specific points of importance. The first was "HRD for growth". In two presentations, Ms Chua Soh Hoon described the development of the port of Singapore over nearly 40 years and the role of HRD in its success, while Mr Negussie Ambo described the procedures and performance of Ethiopian Airlines, which had established high standards and a high reputation through long-term performance underpinned by HRD. The conclusion was reached that trade-supporting services reinforced through HRD had a key role to play in providing opportunities for trade to grow, and that this was entirely feasible for LDCs.

9. Many indicators of good practice emerged – including national measures such as creation of a focal point for HRD, people development programmes, and creation of standards by certification of jobs – and enterprise measures such as the raising of funds for training through a mandatory levy, quality circles which encourage team work and engagement in performance improvement, the concept of lifelong learning shared by enterprises and post-secondary institutes, training oriented to future roles for the individual, and a community approach to training.

10. "Making a success of HRD" was the next theme. A first presentation was given by Ms Perla Segovia who described the restructuring of the Philippines National Power Corporation, in which transformation of performance was based on HRD policy. While training had been important, results depended on a training support system and a good organizational climate for HRD. However, enthusiasm for training had later waned, which suggested that its benefits were not sufficiently valued, or that maintaining performance was too much trouble for insufficiently motivated management. It was agreed that problems of sustainability and of non-training aspects of HRD needed critical attention.

11. Next Ms Zini Mchunu presented work of the Education with Enterprise Trust, which had helped a large number of communities in South Africa to focus on growth by working together and the adoption of HRD measures across the community. Particular attention was given to the need for Government, community and business to get together, and to the influence of "soft" issues: attitudes had to change in ways that could not be prescribed. It was generally agreed that there was a need for social dialogue, through which everyone could contribute to shaping policy.

12. The theme which followed was "HRD in trade-supporting services". In his presentation, Mr J P Agrawal of Nepal expressed his view as a business man from an LDC that trade-supporting services provided a big opportunity: countries like his needed to succeed in niche markets and these depended on trade-supporting services, most of which were provided by government. Yet despite lots of training the services had not been up to the mark, so improvements needed to be sought both in the training and in the working

environment. A further presentation by Mr Y Aseffa, Secretary General of the African Insurance Organization (AIO), based in Douala, Cameroon, explained the dependence of African business on foreign insurance companies and the need for local training to enhance the services available. This was being done particularly through training of trainers and with the long-term support of UNCTAD. Some countries had recognized the need for insurance competence and provided for a training levy as a percentage of turnover, which had proved an effective means of enabling training services to be provided – particularly through regional colleges. AIO had a successful system to enable experience to be shared between countries; this offered particular potential for LDCs, but it was noted that many smaller countries still felt a need for donor funding to meet their requirements.

13. The next theme considered was "Training at the heart of development". In a presentation bridging from the earlier theme, Ms Geetha Karandawala explained the approach of ESCAP for the improvement of trade-supporting services in Asia and the Pacific. After identifying key issues in the region, she highlighted three issues: the benefits of working with many willing partners in the field of HRD – from Singapore Polytechnic to the TRAINMAR programme of UNCTAD; the rapport between private and public sectors so that both played an effective role in improved trade-supporting services; and the growing importance of tutored distance learning to satisfy the demand for constant renewal of training. The vision of ESCAP included helping the region to have a knowledgeable, articulate and confident workforce to drive forward the region's economy. In a second presentation, the UNCTAD secretariat described the uniform methodology and networking fostered by its programmes TRAINFORTRADE and TRAINMAR. Training of trainers was particularly important and close attention was given to the use of new technology. In a presentation that led straight from the previous one, Mr Luis Musolino, from Argentina, warned of the need for caution in the use of technology for training but confirmed the value of using a uniform methodology and networking in training. Using experience with the TRAINMAR Association of South America (ATAS), he explained how institutional stability could be achieved, and quality assured, by using the uniform methodology and networking. He described how ATAS had been able to continue to meet customer needs when the economies of Latin America had been restructured, and the steady expansion of its role, first to Central America and then to countries of the Black Sea – each region quite different from the other. The effectiveness and transferability of the approach appeared well proven, but could succeed only if top-level managers were first convinced of the need to get other levels of staff trained effectively.

14. In continuation of the training theme, a half day was devoted to study of technology-based learning and distance learning in particular. The Coordinator of UNCTAD's TRAINFORTRADE programme described a meaningful strategy for the introduction of distance learning and networking among developing countries. Three providers of training products: IBM, WebCT, and the Open University of Great Britain, described types of product becoming available and likely to be of future value to developing countries. Recent growth in e-learning had been phenomenal, and if the extremely high cost of some applications cold be contained, e-learning would soon have major applications in many developing countries. Some particular points were that:

Distance learning had a long history and was becoming significant now only because of developments in information and communications technology, but products were robust in form and should be accessible to all countries;

Effective learning was not automated, and work at a computer must be supported by tutorship;

Generalist education might be of more value than specialist training, and this lent itself to distance learning because high production costs could be spread over more learners;

The amount of information absorbed by a learner depended on the type of learning support, and while hard text remained important, multimedia methods clearly expanded the potential learning effect.

15. Dr Mohd Youssef made a short presentation of multimedia products. He noted widespread resistance to change, which needed to be overcome if economic progress was to be made, and the value of well designed multimedia learning materials for overcoming this resistance and making training effective. The department that he directed, at the Arab Academy for Science and Technology in Alexandria, Egypt, produced such materials, which he was able to demonstrate. He showed a new product for management of environmental conditions in ports which was the adaptation of a traditional TRAINMAR course: this demonstrated both the power of new technology and the possibilities that already existed for cooperation between developing countries to provide very high-quality training. He too stressed the importance of an instructor and how the limitations on learning exclusively over the Internet, which arose through bandwidth restrictions, could be largely overcome by hybrid materials mixing CD-ROM and the Internet. A final presentation from ILO, including a demonstration of distance learning provided by the ILO centre at Turin, rounded off the presentations on this theme.

16. The fifth theme examined was "Measures to best serve LDCs". Further presentations were made on particular applications of training and HRD in LDCs: Mr Gidafe Abate on training in support of HRD policy in Ethiopia, Mr Claude Lishou on distance learning applied in Mali and neighbouring countries, and Mr Ferdinand Assogba-Dognon on HRD to follow up on training in Benin. These confirmed the potential for modern training and HRD to be put into practice in LDCs. Consideration of this theme was rounded off by a presentation by Mr Chan Sophal on the benefits and limitations of external support based on recent experience of Cambodia, highlighting the importance of internally generated activity wherever possible.

17. Presentations and discussions were accompanied by group work that allowed all experts a chance to contribute views on the very wide number of issues involved. The experts split into small working groups of about six persons to analyse problems, challenges and

solutions. Seven groups, representing the different points of view of government, public and private business sectors and different levels of development, each met and discussed the status of trade-supporting services and their potential for improvement through HRD. Spokespersons for the groups reported to the body of the Meeting and the conclusions reached were the primary source of proposals contained in the outcome of the Meeting.

18. In discussion of the overall findings, there was concern whether UNCTAD would have the capacity to carry out duties that experts felt needed to be taken on by the international community. Concern was allayed by the suggestion that support should be provided from across the international community, but experts felt this needed to be coordinated and suggested that UNCTAD might be the lead agency for this.

19. In group discussion it was agreed that Governments did not give priority to HRD or to trade-supporting services, and that donors would not normally give priority to this type of activity. Governments should be persuaded to give top priority to HRD for trade-supporting services. Undertaking this persuasion was a highly important role that UNCTAD should play. Once convinced, a Government should establish a standing committee to focus on HRD in trade-supporting services, which should include government, academics and business. Government should encourage the private sector to invest in HRD, and this could be facilitated by the allocation of tax breaks and other incentives for training.

20. Discussion also reviewed the role of donor-funded projects to reinforce the introduction of HRD. It was felt that donor projects were often unsuccessful because local resources mobilized during a project were generally not sustained afterwards. Governments needed to be ready to assume their role and this would require greater preparation and advocacy inside and outside the country. A further view was that institutional arrangements were often outdated and that training could be effective only if introduced together with new systems. However, it was also felt that this should not prevent a start being made, as widespread training should improve general competence and this would in itself lead to institutional changes. It was also noted that the roles of the public and private sector could not always be identified uniquely: there was an important role for communities and for NGOs that worked with them. The potential for NGOs to contribute to HRD in trade-supporting services should be given close attention.

III. ORGANIZATIONAL MATTERS

A. Convening of the Expert Meeting

21. At the consultations of the President of the Trade and Development Board with the Bureau, coordinators and interested delegations on 31 March 2000, member States decided to convene an Expert Meeting on Human Resources Development and Training in Trade-supporting Services: Key to Growth with Special Potential for LDCs. The decision was made in accordance with the UNCTAD X Plan of Action (TD/386).

B. Election of officers

(Agenda item 1)

22. At its opening meeting, the Expert Meeting elected the following officers to serve on its Bureau:

Chairperson:	Mr. Kodjo Alexandre Aziabu (Togo)
Vice-Chairperson-cum-Rapporteur:	Mr. Kailash Kumar Dewan (Nepal)

C. Adoption of the agenda

(Agenda item 2)

23. At the same meeting, the Expert Meeting adopted the provisional agenda circulated in document TD/B/COM.3/EM.10/1/Rev.1. Accordingly, the agenda of the Meeting was as follows:

1. Election of officers
2. Adoption of the agenda and organizational work
3. Human resources development and training in trade-supporting services: Key to growth with special potential for LDCs
4. Adoption of the outcome of the Expert Meeting

D. Documentation

24. For its consideration of the substantive agenda item (items 3), the Expert Meeting had before it a background paper by the UNCTAD secretariat entitles "Human resources development and training in trade-supporting services: Key to growth with special potential for LDCs" (TD/B/COM.3/EM.10/2).

E. Adoption of the outcome of the Meeting

(Agenda item 4)

25. At its closing meeting, on 15 December 2000, the Expert Meeting adopted the outcome of the Meeting reproduced in section I above.

Annex

ATTENDANCE *

1. Experts from the following States members of UNCTAD attended the session:

Albania
Angola
Benin
Brazil
Burkina Faso
Burundi
Cambodia
Cameroon
Cape Verde
China
Colombia
Comoros
Costa Rica
Cote d'Ivoire
Dominican Republic
Egypt
Ethiopia
Finland
France
Gambia
Germany
Ghana
Guinea
Honduras
India
Indonesia
Iran (Islamic Republic of)
Italy
Jordan
Madagascar
Mali
Mauritius
Mauritius
Monaco
Morocco
Mozambique
Nepal
Niger
Nigeria
Oman
Palau
Peru
Philippines
Romania
Russian Federation
Saint Lucia
Sao Tome and Principe
Saudi Arabia
Singapore
South Africa
Spain
Sudan
Tajikistan
Thailand
Togo
Tunisia
Turkey
Uganda
United Kingdom of Great Britain and Northern Ireland
United Republic of Tanzania
Viet Nam
Zambia

2. Palestine attended the session as an observer.

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* For the list of participants, see TD/B/COM.3/EM.10/INF.1.

3. The following intergovernmental organizations were represented at the session:

Arab Labour Organization
League of Arab States
Mano River Union
Organization of the Islamic Conference
South Centre

4. The following specialized agencies were represented at the session:

International Labour Organization
World Health Organization
International Telecommunications Union
World Intellectual Property Organization
United Nations Industrial Development Organization
World Trade Organization

5. The Economic Commission for Europe and Economic and Social Commission for Asia and the Pacific were represented at this session.

6. The following non-governmental organizations were represented at the session:

Special Category

International Confederation of Free Trade Unions
World Federation of the United Nations Associations
Engineers of the World

7. The following special invitees attended the session:

Mr. Negussie Ambo, Ethiopia
Mr. Yoseph Aseffa, AIO
Mr. Kailash Kumar Dewan, Nepal
Mr. Belarminio A. Ferreira Lucas, Cape Verde
Mr. Colin W.J.A. Gray, Open University, United Kingdom
Mr. Geethangani Karandawala, ESCAP
Mr. Gidafe Katema Abate, Ethiopia
Mr. Ari Leino, Web CT, Finland
Mr. Claude Lishou, Senegal
Mr. Luis Musolino, Argentina
Ms. Perla Segovia, Philippines
Mr. Pascal Schlittler, IBM, Switzerland
Mr. Aly Youssef Mohamed, Egypt

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